

DOR-558, Military Information

Definitions

Domicile: "Domicile is the place which an individual intends to be his/her permanent home; a place to which he/she intends to return whenever he/she may be absent. A domicile, once established, continues until the individual moves to a new location with the bona fide intention of making his/her fixed and permanent home there. An individual can have only one domicile."

Home of Record: The state of residency listed with the military in the individual's personnel file.

Permanent Place of Abode: A domicile or permanent home, which a person may leave but intends on returning.

Military — General Information

The tax status of military personnel under the Missouri Income Tax Law and the Soldiers and Sailors Civil Relief Act is determined by the domicile of the service member. The military personnel's domicile is presumed to be his or her home of record.

Military — Home of Record — Not Missouri

If the military service member's home of record is a state other than Missouri, his/her domicile is in the other state. If the military service member is stationed in Missouri, then he/she is not subject to Missouri income tax on his/her military pay nor on any interest or dividend income received from personal investments. Even if the military service member is not required to pay Missouri tax, he/she should file a Form MO-NRI, Missouri Income Percentage, to verify the military service member is not subject to Missouri income tax.

Effective for the 2003 tax year, the Service Members Civil Relief Act, H.R.100, prohibits states from including the military income of a **nonresident** service member when determining the individual income tax rate for either the service member (or the service member's spouse on a combined return).

If a nonresident military service member or his/her spouse earns \$600 or more of non-military income while in Missouri, that portion of income is taxable by Missouri and a Form MO-1040, Missouri Individual Income Tax Return must be filed. To ensure nonresident military service members receive the benefit of the new law, the military income received by nonresident military service members may be subtracted from their federal adjusted gross income. Enter nonresident military income as an "Other Subtraction" on Form MO-A, Part 1, Line 8.

Military — Home of Record — Missouri

If the military service member's home of record is Missouri, his/her domicile is Missouri. In this case, the person is considered Missouri domiciled and is subject to Missouri income taxes on all income from whatever source including his/her military pay.

The only exception is if the Missouri domiciled individual files a sworn statement (Form MO-NRI) that he/she:

- (a) maintained no permanent place of abode in Missouri during the tax year;
- (b) did maintain a permanent place of abode elsewhere; and
- (c) did not spend more than 30 days of the year, for which they are filing, in Missouri;

then the Missouri domiciled individual is considered a "non-resident" for tax purposes. With a "non-resident" tax status the individual does not pay Missouri income tax on his or her military pay or on interest and dividend income from personal investments.

All Missouri domiciled military personnel who wish to claim a "non-resident" status should file an income tax return (Form MO-1040 or Form MO-1040C) each year and enclose with that return Form MO-NRI, Missouri Income Percentage.

Note: If the military person is stationed in Missouri with a Missouri home of record, all income including military pay is taxable. If the military person and their spouse are Missouri residents and the spouse remains in Missouri while the military person is stationed outside of Missouri, the total income (including military pay) is taxable to Missouri.

If the Missouri domiciled military person enters or leaves the armed forces during the year and resides in Missouri prior to entering the military or after leaving the military, the military person's total income (including military pay) is taxable to Missouri.